

Re: SB 931 -- AN ACT CONCERNING EMISSIONS STANDARDS FOR MEDIUM AND HEAVY DUTY VEHICLES

MTAC Opposes

Co-Chair Cohen, Co-Chair Borer, Ranking Member Miner, Ranking Member Harding, and members of the Environment Committee, thank you for the opportunity to present this testimony. My name is Joe Sculley, I am President of the Motor Transport Association of Connecticut (MTAC), representing small business trucking companies in the State of Connecticut.

This bill would have Connecticut adopt emission standards set by the California Air Resources Board (CARB) (rather than US EPA) for new medium and heavy-duty trucks. In the immediate future, that would mean two things. 1.) CT would be enforcing a sales standard for diesel engines that is more stringent than what the federal government requires. 2.) CT would be requiring that an increasing percentage of truck sales are electric. This bill could conceivably be titled “An Act Prohibiting the Sale of EPA Compliant Trucks,” because that is what it would do.

KEY REASONS MTAC OPPOSES THIS BILL

- It will put Connecticut businesses at a competitive disadvantage by mandating that they purchase trucks with unproven technology, and these trucks will be more expensive than what their competitors in other states will purchase
- Trucks sold in other states that do not meet these extra stringent standards crafted by California will continue to drive through Connecticut anyway. Connecticut can not turn them away at the border.
- According to DEEP’s 2017 GHG emissions inventory (most recent), only 2% of CT's GHG emissions from mobile sources come from diesel. 97% of heavy duty trucks are powered by diesel. Therefore, I submit that trucks are not the cause of Connecticut’s air quality issues.
- The number of days per year that Connecticut has exceeded ozone standards has steadily decreased over time
 - Transportation emissions in Connecticut have also steadily decreased since 2004, according to DEEP data
- We know that emissions are projected to decrease by nearly 20% over the next ten years even without this, as a result of FEDERAL fuel efficiency and emissions standards. (Source: TCI modeling)

LIKELY CONSEQUENCES IF THIS LEGISLATION IS PASSED

- Trucks sales will be pushed out of state
- Jobs will be pushed out of state



- Businesses will operate older, dirtier trucks longer, in order to avoid purchasing more expensive trucks with unproven technology that their competitors in other states will not have to purchase
- Businesses will buy dirtier used trucks instead of new trucks, because CT would effectively be banning the sale of EPA-compliant trucks in Connecticut

QUESTIONS

- California proposes to give grants/vouchers for as much as \$120,000 to incentivize and offset the estimated \$86,000 that will be added to the cost to purchase an electric truck, compared to a comparable diesel truck. Where will Connecticut get the money for those grants/vouchers?
- The California Air Resources Board (CARB) acknowledges they must hire many new staff people to ensure compliance with these regulations. Where will Connecticut get the money to hire new staff people here? What Department will they work in?
- Connecticut will need to acquire new technology or software to govern this program and ensure compliance. Where will the money for that come from?
- If DEEP is worried about ozone non-attainment and greenhouse gas emissions, why are they targeting an industry which has a recent stellar record of emissions reductions (more below), but appear to be allowing two new natural gas power plants right here in Connecticut that will increase greenhouse gas emissions within our state?
 - [Does Gov. Lamont have the courage of his convictions on climate change? \(ctmirror.org\)](http://ctmirror.org)

“But are we really being asked...to accept that our governor can sit on his hands while another new fossil fuel power plant is built in Connecticut? A plant which will spew 2.2 million tons of carbon dioxide, (along with methane and other pollutants), yearly for decades;”

- [Climate science demands a halt to Killingly power plant \(ctmirror.org\)](http://ctmirror.org)
“At full capacity, KEC would produce 2.2 million tons of CO2 annually, or 13% of Connecticut’s CO2 emissions.”
“...a recent statement by ISO-NE spokesperson Matt Kakley made clear that “the state – not the ISO – determines if a plant gets developed within its borders.” Dykes’ blame game demonstrates a blind eye toward KEC and its harms.”
- [Renewed Investment in Gas-Fired Energy Spurs Debate in Middletown \(ctexaminer.com\)](http://ctexaminer.com)
“...but the new turbine is also expected to run longer and end up generating more power and more emissions overall – though not enough to violate any air quality standards, according to the state Department of Energy and Environmental Protection.”

BETTER ALTERNATIVES TO THIS PROPOSAL

- Uniform national standards set by the federal government which apply to all businesses in all states equally. The Cleaner Trucks Initiative is under development by US EPA and expected to be proposed and finalized under the new Administration.
- Voluntary incentive programs like grants from VW Settlement funds and grants from the Diesel Emissions Reduction Act (DERA) for the purchase of a new EPA-compliant diesel, electric, or alternative fuel trucks (in return for decommissioning of older vehicle).

PROJECTED INCREASE IN COST OF NEW ELECTRIC TRUCKS AS A RESULT OF THIS PROPOSAL (Source: CARB)

Vehicle Group	HVIP Proposed FY 20-21 ZEV Vouchers	MY 2024 Incremental ZEV vs. Diesel
Class 2b - 3	TBD - \$45,000	\$14,896 - \$19,241
Class 4 -5	\$60,000	\$25,127 - \$36,424
Class 6 - 7	\$85,000	\$31,174 – \$48,554
Class 8	\$120,000	\$34,799 - \$55,655
Class 7 - 8 Tractor	\$85,000 - \$120,000	\$71,351 - \$86,931

In addition, CARB estimates the increase in purchase price for a Class 7 or 8 diesel truck to be \$3,761 for MY 20024 -2026, \$7,423 for MY 2027- 2030 and \$8,475 for MY 2031+, plus an additional \$1,000 in diesel exhaust fluid over the lifetime of the vehicle.

TRUCKING INDUSTRY’S EMISSIONS REDUCTION PROGRESS

(all figures are per US EPA)

Year: 2002

Mandate/Technology: Exhaust Gas Recirculation (EGR)

Environmental Benefit: **50% NOx emissions reduction**

Cost to Industry: **\$250 million annually**

Year: 2006 – 2010

Mandate/Technology: Ultra Low Sulfur Diesel (ULSD)

Environmental Benefit: **97% reduction of sulfur in diesel**

Cost to Industry: **\$4 billion annually (in combination with PM/NOx limits)**

Year: 2007 – 2010

Mandate/Technology: US EPA PM and NOx limits; Diesel Particulate Filters (DPFs)

Environmental Benefit: **90% reduction of Particulate Matter (PM) “soot”**
90% reduction of NOx

Cost to Industry: **\$4 billion annually (in combination with ULSD)**

Year: 2014

Mandate/Technology: US EPA/NHTSA “Phase 1” Greenhouse Gas Emissions Standards and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles

Environmental Benefit: 23% reduction of CO₂ emissions

Cost to Industry: \$8 billion

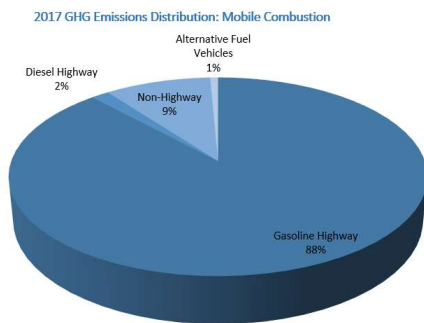
Year: 2021, 2024, 2027

Mandate/Technology: US EPA/NHTSA “Phase 2” Greenhouse Gas Emissions Standards and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles

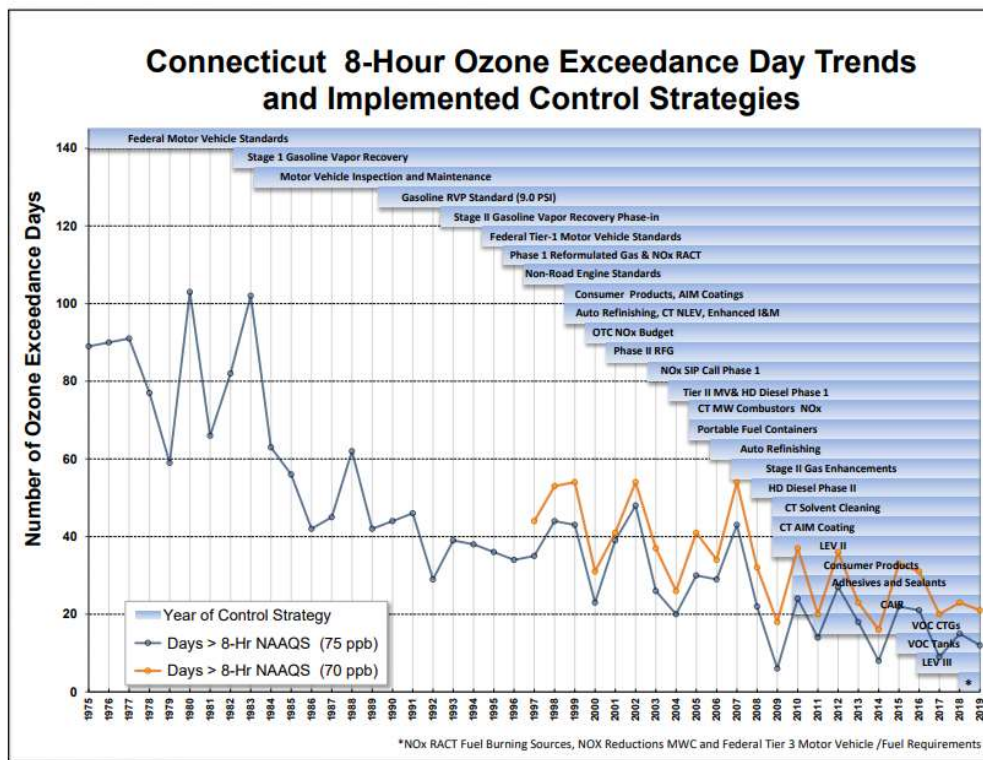
Environmental Benefit: additional 34 percent reduction of CO₂ emissions

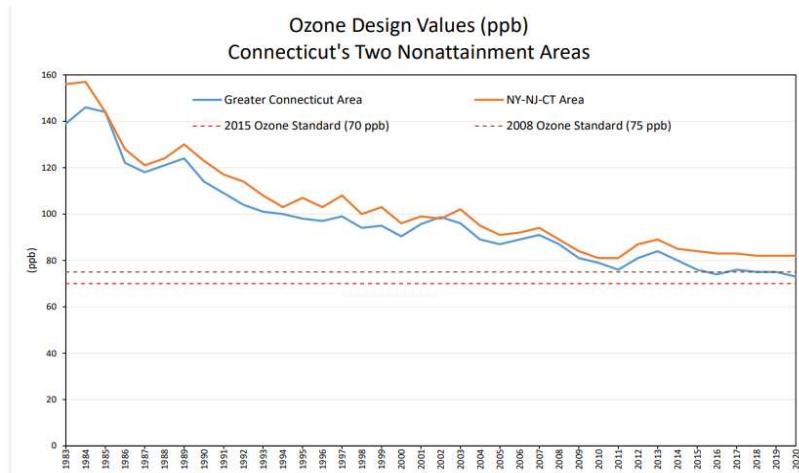
Cost to Industry: \$20 - \$30 billion

Mobile Source Emissions (Source: DEEP)



Progress on Ozone Attainment (Sources: DEEP)





MTAC urges rejection of this proposal. I am happy to answer any questions.

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ABOUT CT TRUCKING INDUSTRY:

85.8%: number of Connecticut communities that depend exclusively on trucks to move their goods

98%: percent of manufactured tonnage transported by truck in Connecticut

\$3.4 billion: total trucking industry wages paid in Connecticut (2018)

61,590: trucking industry jobs in Connecticut (2018)

\$55,777: average annual salary in Connecticut (2018)

\$9,026: average annual CT-imposed highway user fees paid by tractor trailers (as of 1/1/2020)

\$8,906: average annual fed-imposed highway user fees paid by tractor trailers (as of 1/1/2020)